

PUBLIC CHAPTER NO. 147**HOUSE BILL NO. 2291****By Representatives Mike Turner, Odom, Hardaway****Substituted for: Senate Bill No. 2270****By Senators Kyle, Henry, Marrero**

AN ACT to amend Tennessee Code Annotated, Title 12, Chapter 3, Part 2, relative to best value purchasing.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 3, Part 2 is amended by adding the following language as a new, appropriately designated section:

(a) For a purchase of goods and services under this chapter, the department shall have the option of using the best value procurement methodology when determined by the department to be in the best interest of the State. The purchasing policies and procedures concerning this procurement methodology, including the criteria and evaluation process, must be developed by the department and approved by the board of standards.

(b) In determining the best value for the state, the purchase price and whether the goods or services meet specifications are the most important considerations. However, the director of purchasing may, subject to subsection (c), consider other relevant factors, including but not limited to the following:

(1) installation costs;

(2) life cycle costs;

(3) the quality and reliability of the goods and services;

(4) the delivery terms;

(5) indicators of probable vendor performance under the contract such as past vendor performance, the vendor's financial resources and ability to perform, the vendor's experience or demonstrated capability and responsibility, and the vendor's ability to provide reliable maintenance agreements and support;

(6) the cost of any employee training associated with a purchase;

(7) the effect of a purchase on agency productivity;

(8) other factors relevant to determining the best value for the state in the context of a particular purchase.

(c) The purchasing division shall receive approval from the commissioner of general services before considering factors other than price and meeting specifications when the division procures goods or services through competitive bidding.

SECTION 2. This act shall take effect on July 1, 2007, the public welfare requiring it.

PASSED: April 26, 2007



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY, SPEAKER
SENATE OF THE SENATE

APPROVED this 10th day of May 2007



PHIL BREDESEN, GOVERNOR